

FACT SHEET: INTER-AMERICAN E-BUSINESS FELLOWSHIP PROGRAM

"We will also sponsor the creation of a new Inter-American E-Business Fellowship Program. This will give young professionals from throughout the Americas the opportunity to learn about information technology by spending time with U.S. companies. And it will empower them with the skills and background to bring the benefits of these technologies to their own societies."

President George W. Bush
Summit of the Americas
April 21, 2001

The U.S. Department of Commerce is launching a training program, called the E-Business Fellowship Program, for Latin American and Caribbean managers who are interested in using information technology to improve their business processes.

This initiative builds on President Bush's interest in expanding educational exchanges that help develop human capital in the Hemisphere and furthers Summit themes of creating prosperity and realizing human potential. It also responds to the Free Trade Area of the Americas' (FTAA) call to expand the benefits of electronic commerce to the region.

The program will assist economic restructuring in Latin America and the Caribbean by introducing business executives to U.S. methods of innovation and management, and by creating a cadre of influential executives who are predisposed to doing business with the United States. It will also promote Hemispheric economic integration, a common business culture, and cutting edge business practices that will enhance the FTAA's competitiveness in domestic and global markets.

Under the Inter-American E-Business Fellowship Program, **business professionals from industries throughout the hemisphere will be invited to participate in a program with U.S. businesses.** This 5-6 week training program would match Latin American and Caribbean business professionals from a variety of industries with selected U.S. firms. The focus would be on traditional manufacturing, services, and high-tech sectors that use IT to improve efficiency and productivity, and to increase their customer base, looking particularly at supply chain management and the integration of IT in "backroom" operations. Numerous U.S. companies, including Caterpillar Inc., Bell Helicopter Textron, and General

Electric Company have expressed interest in participating in this program.

INTER-AMERICAN E-BUSINESS FELLOWSHIP PROGRAM

On April 21st at the Summit of the Americas in Quebec City, President Bush announced the Inter-American E-Business Fellowship program. The U.S. Department of Commerce is currently recruiting small, medium and large U.S. companies to take part in this program by hosting and training Latin American business professionals in American methods of innovation and management through the use of information technology. Twenty fellows, drawn broadly from the region, will participate in the pilot program, which is anticipated to begin in September 2001.

Program Overview

The training program will be divided into three sections: an orientation, a company fellowship, and a wrap-up session. Fellows will begin the program by participating in a one-week orientation program led by Commerce Department officials in Washington, D.C. Seminars on the use of IT and e-commerce in supply chain management, business roundtables, and trade shows would be the main activities of this training module. Fellows would then spend four weeks in a pre-selected U.S. company, experiencing first-hand how firms use IT to improve their business operations. The program will conclude with a two day wrap-up session in Washington, D.C., so that they may share their experiences and offer suggestions for future programs.

Fellowship Funding

The Commerce Department will cover the majority of program costs for all fellows, including round-trip airfare to the United States, all U.S. domestic air travel to original fellowship site, housing, per diem for meals and incidentals, and interpreters to travel with each group for the first week of training. U.S. host organizations will cover the following:

- Local transportation to and from work
- Any equipment or supplies necessary for the fellowships
- Interpreters if necessary at the host company site
- Basic insurance coverage, including health and accident insurance (approximately \$100)

The fellow's employer will continue to pay his/her salary during the program.

Profile of an Inter-American E-business Fellow

Fellowship candidates will be Latin American mid-level business executives, who are seeking to gain a deeper understanding of how U.S. companies use information technology to improve the efficiency of their business processes. Candidates will be

identified from a broad range of manufacturing and service sectors, and will have varying degrees of IT knowledge. All candidates will be in a position in their companies to recommend and/or implement IT-related changes to methods of supply chain management or back-end operations.

The Commerce Department will work to develop mutually beneficial matches between Latin American fellows and participating U.S. companies. Host companies will provide the Commerce Department with profiles detailing their preferred candidate type. U.S. host companies will be able to review and select a fellow from a short list of at least 3-5 candidates based on the profile provided. Host companies can conduct interviews with the candidates if desired. Companies may nominate an individual for participation in the program as long as that person is not employed by the company or its subsidiaries. However, the individual would have to file an application, pass an interview, and be selected as a program candidate.

Profile of a "host company"

Ideal companies would be from traditional manufacturing, services, or high-tech sectors, and would have experience in using IT to improve efficiency and productivity in their businesses, looking particularly at improving supply chain management and back-end operations. For example:

- Manufacturers that use IT to streamline and improve the productivity of design, distribution, or accounting processes allowing them to save time and resources that are better used to increase both their market visibility and customer base.
- Companies that have established Internet-based supply management and procurement systems to allow their employees to place and review orders, and their suppliers to confirm and send counter proposals, online;
- Firms that have used innovative technologies to produce multimedia products or provide design, testing or research services.

Benefits to U.S. Host Company

Sponsoring U.S. firms will benefit by establishing relationships with key managers in related industries who can assist their U.S. sponsors in doing business in the Latin American region. In addition, participating U.S. companies will have an opportunity to demonstrate their products and services to potential Latin American business partners and/or customers.

The Inter-American E-business Fellowship program is modeled after Commerce's SABIT (Special American Business Internship Training) Program. By providing hands-on management training for 2,500 executives, SABIT has helped forge business partnerships between U.S. companies and companies in the former Soviet Union. These business partnerships have facilitated almost \$300 million worth of U.S. exports and have assisted in reducing non-tariff trade barriers for U.S. companies. A recent independent survey demonstrated that 66 percent of SABIT alumni reported having entered into a business relationship with a U.S. firm because of their SABIT training. Furthermore, almost 70

percent of SABIT alumni have assisted their U.S. host companies in areas such as market access, certification, customs, taxation, shipments, contacts, marketing data or information related to the business environment.

For further information...

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